Metro RFA
Request for Applications

A Collaborative Solution

Edmonton – September 19, 2019

Calgary – September 26, 2019

Depot Permit Security

- Depots invest a lot of money in their businesses

- Depots need to know they are going to have a permit to operate that business

- Depots need to know they have a population to serve

BCMB Service Security

We value:

- Higher return rates
- Accessible, quality, convenient and safe service from depots
- Greater awareness and public participation
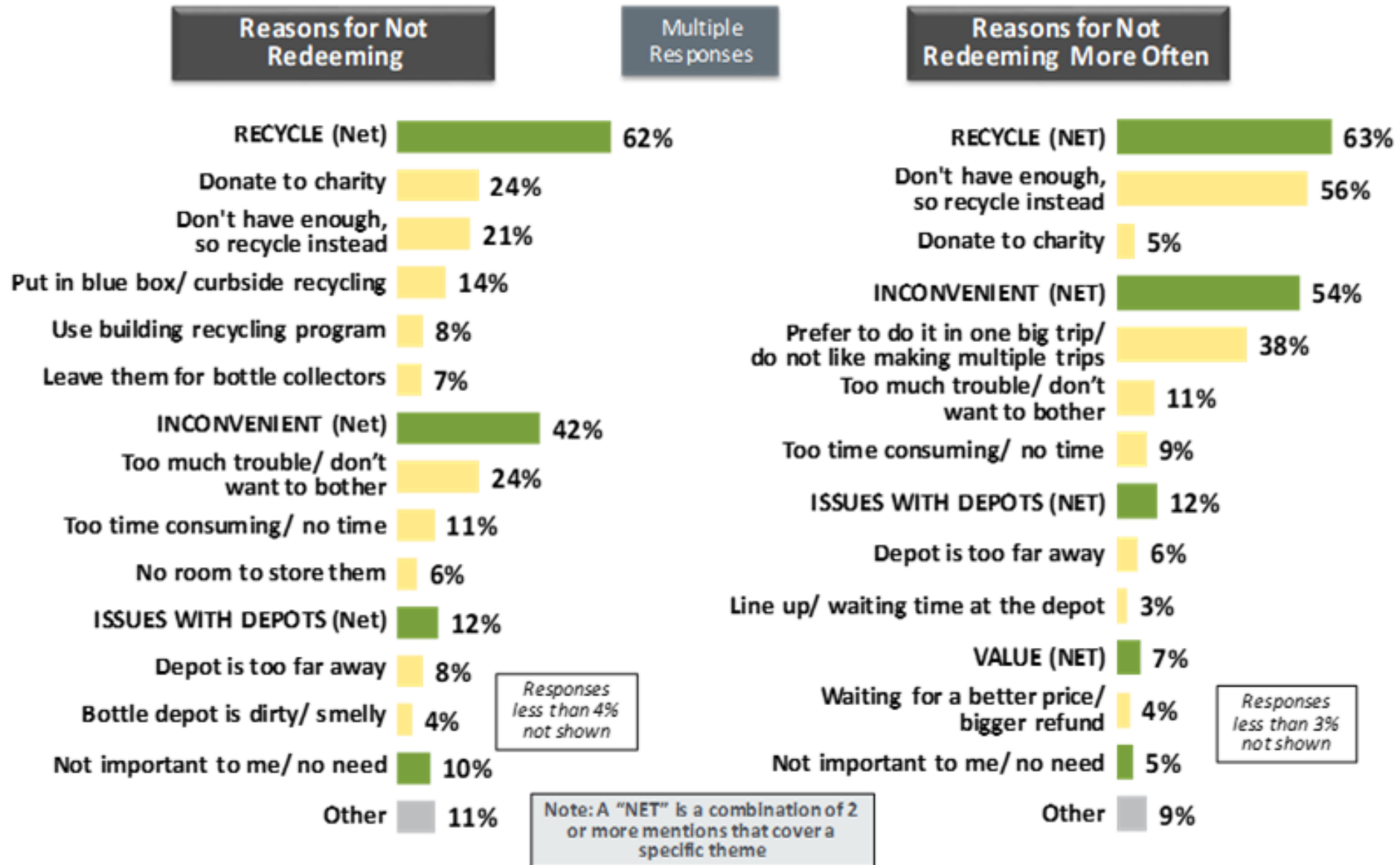- Innovation and technology driven efficiency

BCMB Service Standards

- Our standards are built on what Albertans have said they need our system to be

- Consumers need access to our program: it is their money, not ours

- Customers expect the system to innovate, become more effective, and align with their 'current' world view of retail transactions

- As the Regulator we cannot continue to protect population that is not being served
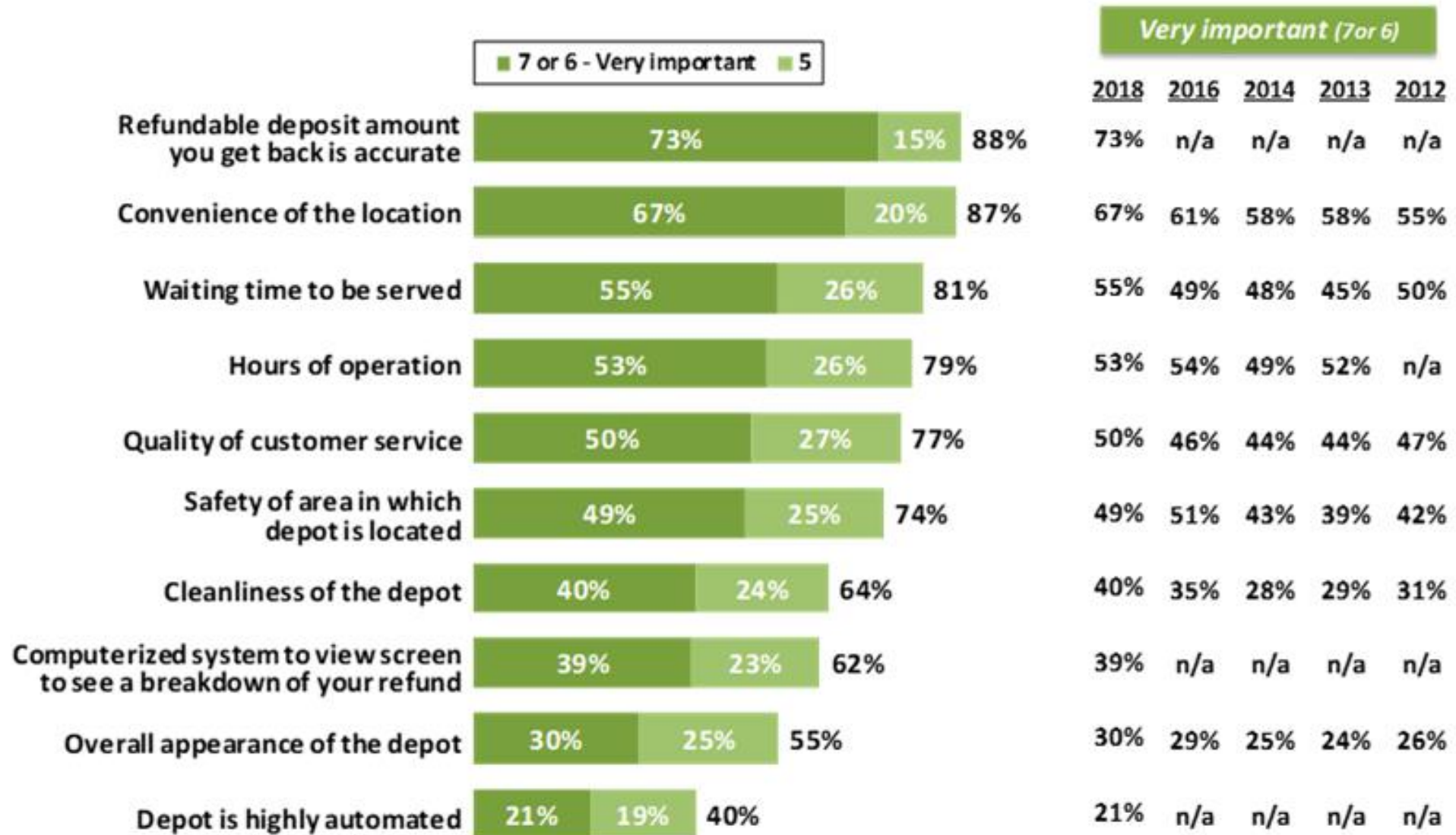
- We want to reward those who are excelling

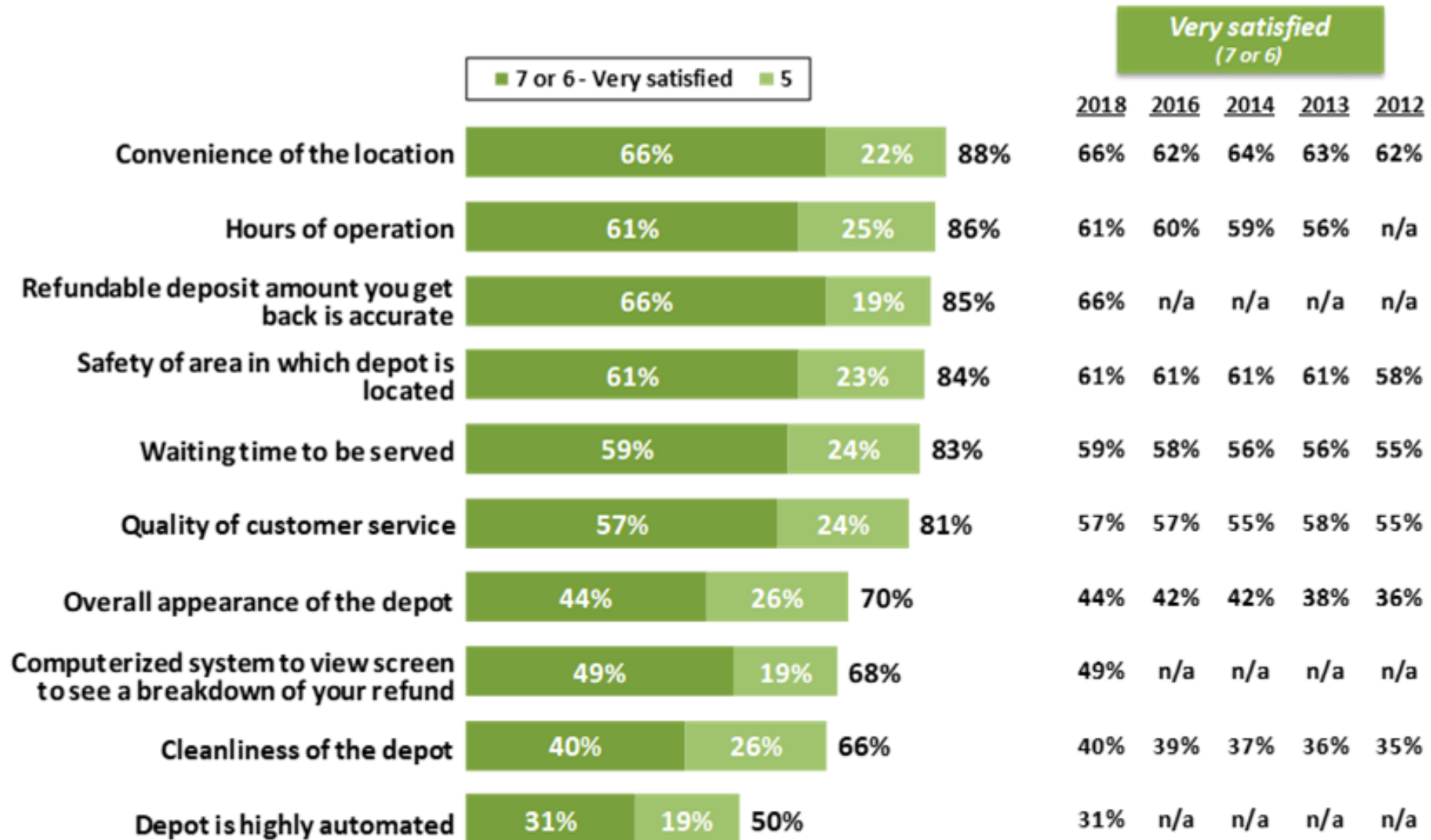# Ipsos Reid and Depot Exit Surveys

2018

Why don't you return containers to a depot, or why not more often?

Reasons for Not Redeeming — Multiple Responses

- RECYCLE (Net): 62%
- Donate to charity: 24%
- Don't have enough, so recycle instead: 21%
- Put in blue box/ curbside recycling: 14%
- Use building recycling program: 8%
- Leave them for bottle collectors: 7%
- INCONVENIENT (Net): 42%
- Too much trouble/ don't want to bother: 24%
- Too time consuming/ no time: 11%
- No room to store them: 6%
- ISSUES WITH DEPOTS (Net): 12%
- Depot is too far away: 8%
- Bottle depot is dirty/ smelly: 4%
- Not important to me/ no need: 10%
- Other: 11%

Responses less than 4% not shown

Note: A "NET" is a combination of 2 or more mentions that cover a specific theme

Reasons for Not Redeeming More Often

- RECYCLE (NET): 63%
- Don't have enough, so recycle instead: 56%
- Donate to charity: 5%
- INCONVENIENT (NET): 54%
- Prefer to do it in one big trip/ do not like making multiple trips: 38%
- Too much trouble/ don't want to bother: 11%
- Too time consuming/ no time: 9%
- ISSUES WITH DEPOTS (NET): 12%
- Depot is too far away: 6%
- Line up/ waiting time at the depot: 3%
- VALUE (NET): 7%
- Waiting for a better price/ bigger refund: 4%
- Not important to me/ no need: 5%
- Other: 9%

Responses less than 3% not shown

6

How important are these factors when deciding which depot to go to?

	7 or 6 - Very important	5		Very important (7 or 6)				
				2018	2016	2014	2013	2012
Refundable deposit amount you get back is accurate	73%	15%	88%	73%	n/a	n/a	n/a	n/a
Convenience of the location	67%	20%	87%	67%	61%	58%	58%	55%
Waiting time to be served	55%	26%	81%	55%	49%	48%	45%	50%
Hours of operation	53%	26%	79%	53%	54%	49%	52%	n/a
Quality of customer service	50%	27%	77%	50%	46%	44%	44%	47%
Safety of area in which depot is located	49%	25%	74%	49%	51%	43%	39%	42%
Cleanliness of the depot	40%	24%	64%	40%	35%	28%	29%	31%
Computerized system to view screen to see a breakdown of your refund	39%	23%	62%	39%	n/a	n/a	n/a	n/a
Overall appearance of the depot	30%	25%	55%	30%	29%	25%	24%	26%
Depot is highly automated	21%	19%	40%	21%	n/a	n/a	n/a	n/a

How satisfied are you with these aspects of the bottle depot?

	7 or 6 - Very satisfied	5	Total
Convenience of the location	66%	22%	88%
Hours of operation	61%	25%	86%
Refundable deposit amount you get back is accurate	66%	19%	85%
Safety of area in which depot is located	61%	23%	84%
Waiting time to be served	59%	24%	83%
Quality of customer service	57%	24%	81%
Overall appearance of the depot	44%	26%	70%
Computerized system to view screen to see a breakdown of your refund	49%	19%	68%
Cleanliness of the depot	40%	26%	66%
Depot is highly automated	31%	19%	50%

Very satisfied (7 or 6)

	2018	2016	2014	2013	2012
Convenience of the location	66%	62%	64%	63%	62%
Hours of operation	61%	60%	59%	56%	n/a
Refundable deposit amount you get back is accurate	66%	n/a	n/a	n/a	n/a
Safety of area in which depot is located	61%	61%	61%	61%	58%
Waiting time to be served	59%	58%	56%	56%	55%
Quality of customer service	57%	57%	55%	58%	55%
Overall appearance of the depot	44%	42%	42%	38%	36%
Computerized system to view screen to see a breakdown of your refund	49%	n/a	n/a	n/a	n/a
Cleanliness of the depot	40%	39%	37%	36%	35%
Depot is highly automated	31%	n/a	n/a	n/a	n/a

Quick Drop

2019 = 59% reported yes
2018 = 49% reported yes
2017 = 46% reported yes
2016 = 47% reported yes

Q13A. If a service was offered where you could drop off your containers without waiting in line and collect your money later, would you use this service?

59%	39%	3%

Yes ▢ No ▢ No response

Q13B. If yes, what would your preferred form of payment be?

72%   12%   9%   1%   5%

Cash pick up ▢ Debit ▢ Paypal (electronic) ▢ No response ▢ Cheque pick up
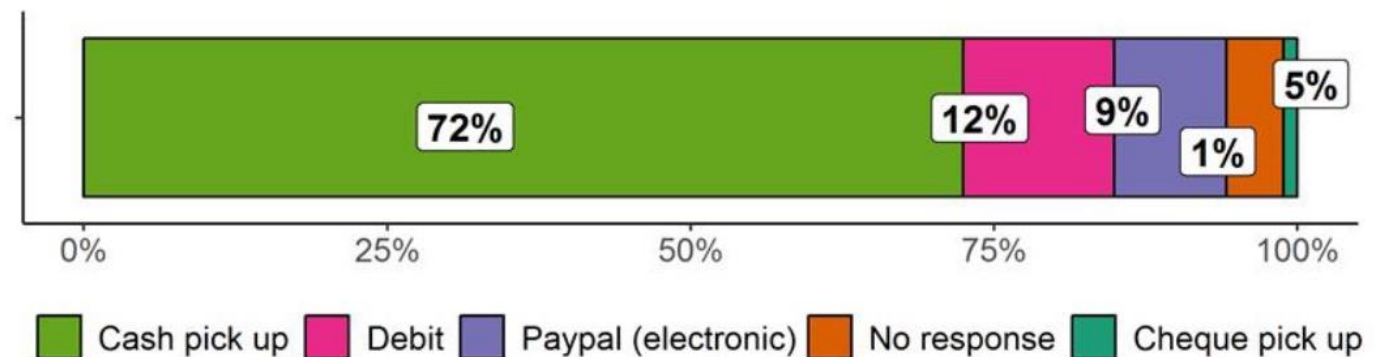
Return Rate within the metro area

Metro Summary	Population	Volume	Per Capita	Rate
YEG (21)	966,199	422,461,194	437	80.8%
YEG R (31)	1,315,678	586,887,006	446	82.4%
YYC (28)	1,267,344	518,244,867	409	75.5%
YYC R (33)	1,422,335	581,082,693	409	75.5%
Rural (157)	1,701,045	849,056,683	499	92.2%
Alberta (221)	4,334,025	2,017,026,382	465	86.0%

IPSOS REID 2018: Reported incidence of redemption is significantly *lower* in Calgary (83%) compared to Smaller Cities South (95%, also higher than 86% in Edmonton), the Rural South (92%), the Rural North (94%), and Smaller Cities North (91%).

Volume Forecast

12-mo Sales Trendline
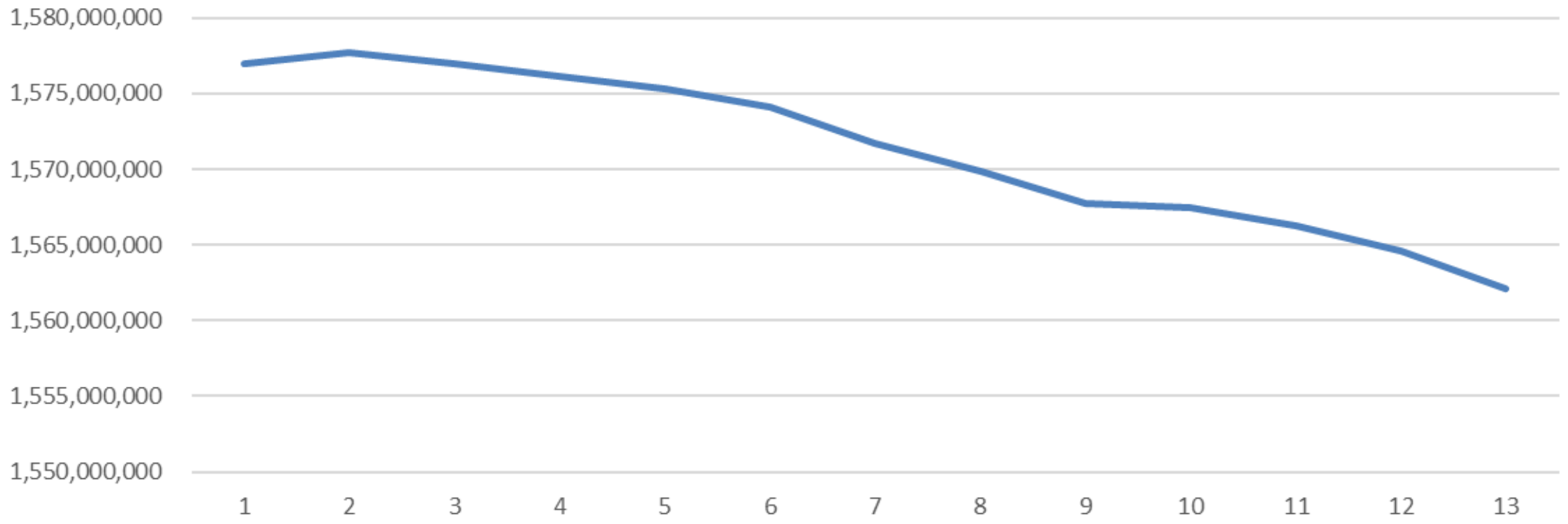
Population Forecast

- Forecast for new permits based on population growth

- YEG   -1   YYC   – 2

- by 2023   3   5

-    - 27,000,000   - 65,000,000

-            @ 438, 39   @ 410, 11

- New Volume? @465

- Existing Volume?

Depot By-law

Unless otherwise directed by the Board:

- "the number of Depots allowed in a Metro Area shall be calculated by dividing the population of that Metro Area by 40,000.

- "no new Permit may be issued in a Metro or Urban Area for a Depot that will be located within a 3-kilometre radius of an existing and operating Depot.

"The decision whether or not to issue an RFA is in the sole discretion of the BCMB

Edmonton 2018
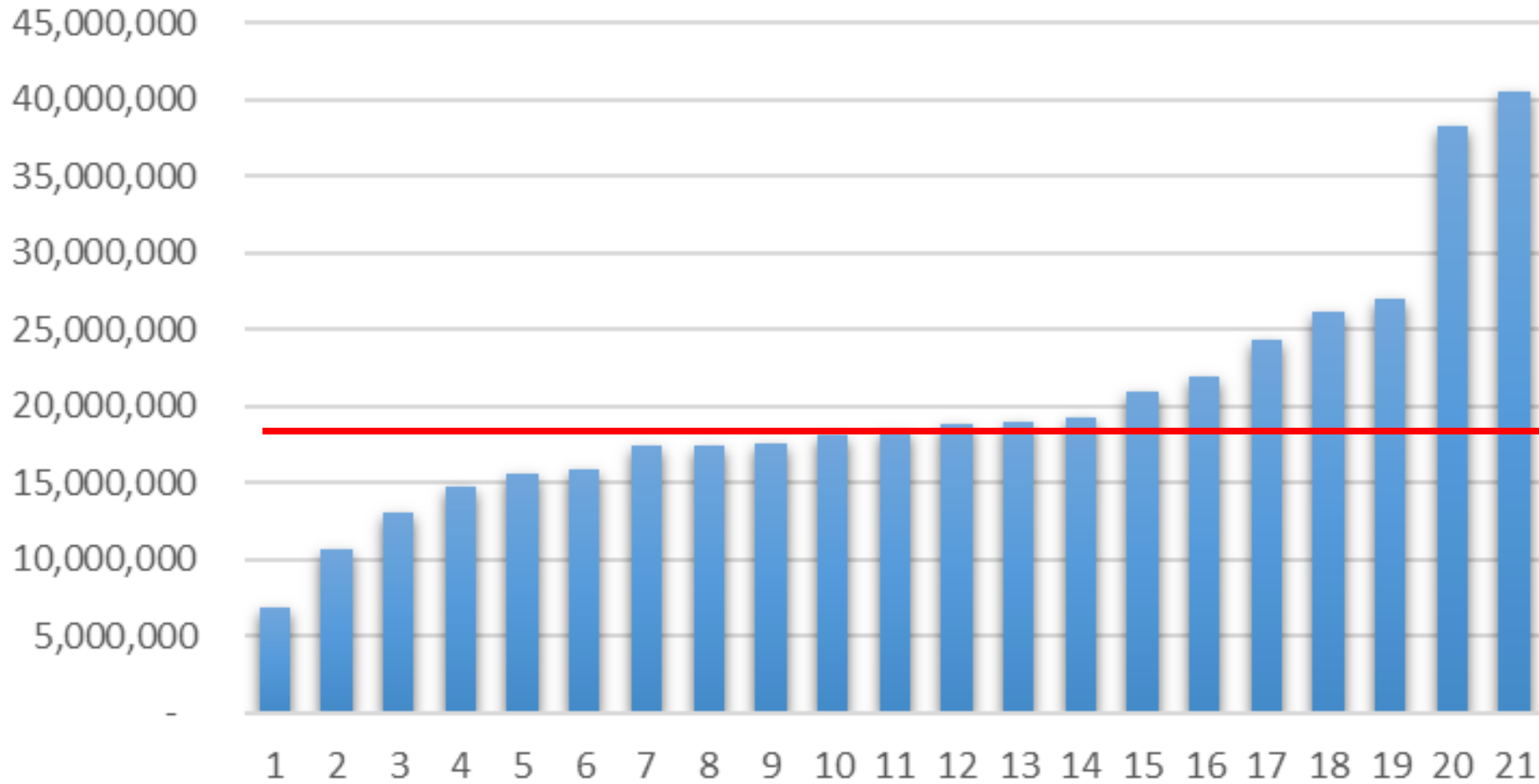
Calgary 2018
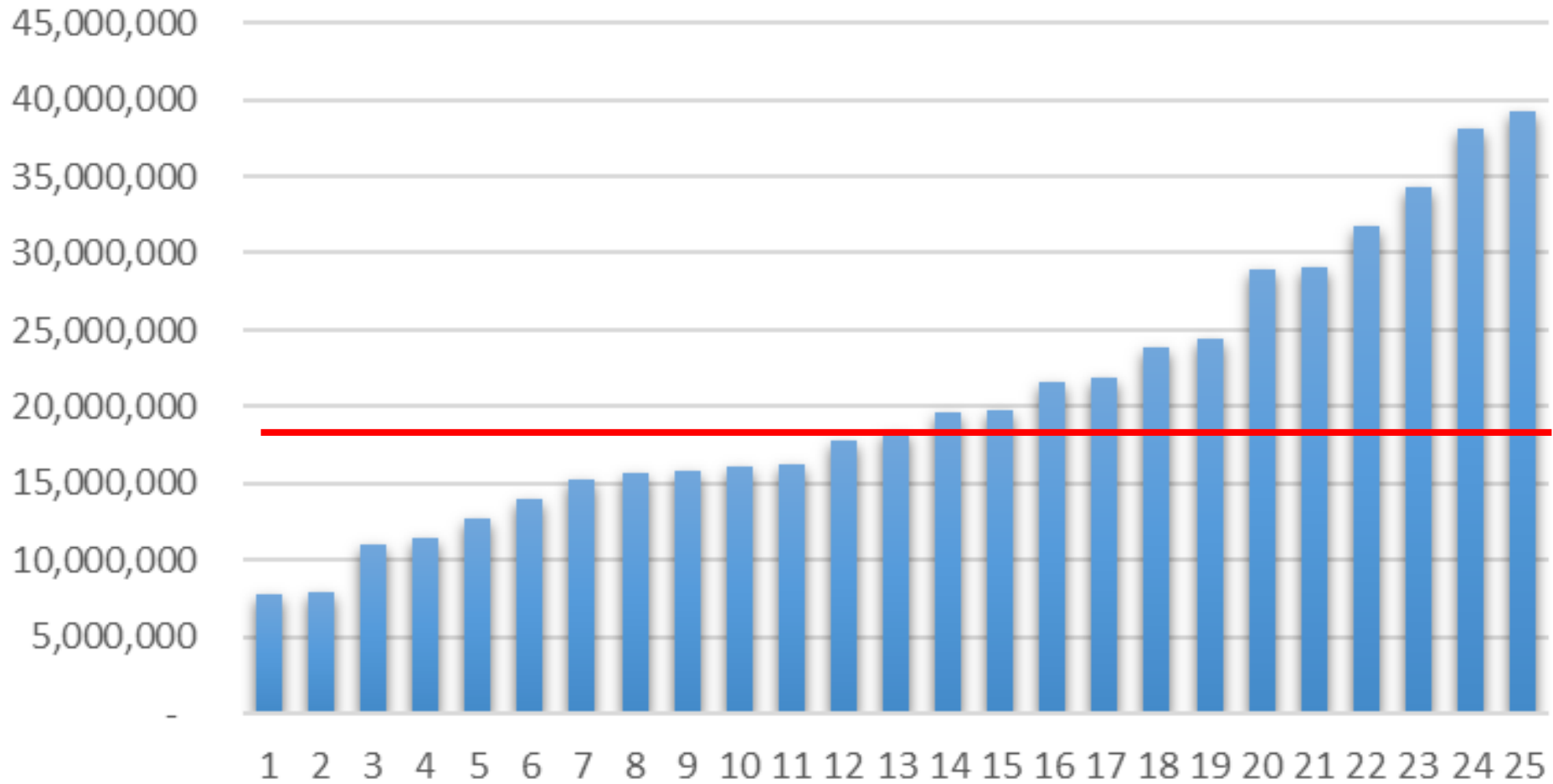
Map 1 - Edmonton
3km Radius

Legend
Depots Under Development
Edmonton Depots
Surrounding Depots

Manning Bottle Depot

Harvest Hills Bottle Depot

Google Earth

7 mi

Map 2 - Edmonton Radius

Legend
- 2.5km
- 2km
- 3km
- 3.5km
- 4km

Recycling in Alberta - Impacts, Innovation and Investment

Next Steps

Proposals from stakeholders:

a) To revise current criteria; or

b) A pilot to innovate consumer access

Criteria:

a) Closer to your depot than any other

b) All pilots will be considered

Evaluate Proposals:

Individually or collectively

Timing:

Reconvene in March 2020

Plan:

Set a plan into action